REMARKS

This Amendment responds to the Office Action dated July 17, 2008 in which the Examiner rejected claim 36 under 35 U.S.C. § 112, first paragraph, rejected claims 1, 3-9, 18, 32, 34 and 36 35 U.S.C. § 102(b) and rejected claims 2, 20, 28, 33 and 35 under 35 U.S.C. § 103.

As indicated above, claim 36 has been amended in order to comply with the written description requirement. Therefore, Applicant respectfully requests the Examiner withdraws the rejection to claim 36 under 35 U.S.C. § 112, first paragraph.

As indicated above, claims 1, 18, 20, 28 and 36 have been amended in order to make explicit what is implicit in the claims. The amendment is unrelated to a statutory requirement for patentability.

Claims 1, 18, 20, 28 and 36 provide a method, system, apparatus and medium to insert an advertisement image at a position in image content, to distribute the advertisement image by stream distribution and to restart image content after distribution of the advertisement image is finished. Therefore, the advertisement image can be dynamically changed. The prior art does not show, teach or suggest the method, system, apparatus and medium as claimed in claims 1, 18, 20, 26 and 36.

Claims 1, 3-9, 18, 32, 34 and 36 were rejected under 35 U.S.C. § 102(b) as being anticipated by *Bar-el* (WO 99/26415).

Bar-el appears to disclose a requested video sequence as personalized with advertising images whose predefined profile the user fits (page 7, line 20-22). For example, as shown on the monitor 28 of computers 12, the video might include the movement of a person 29 along a street 30 to a building 32. For a first user, the advertisement may be for a drink. Figure 1 shows a drink bottle 34 on one wall 35 of a building along the street and the monitor label 28A. For a

user who is known to be a soccer fan, the advertisement might be for a sports company. The monitor 20B shows a soccer ball 36 on wall 35 (page 8, lines 4-10).

Thus. Bar-el merely discloses personalizing a video sequence by inserting information as part of the video itself. However, as claimed in claims 1, 18 and 36, the advertisement image is inserted at a position in the image content, distributed and then the image content distribution is restarted when the advertisement image distribution finishes. However, Bar-el teaches away from the claimed invention since the advertisement is implanted into the video stream such as on a wall of a building.

Since nothing in *Bar-el* shows, teaches or suggests inserting an advertising image at a position in the image content, distribution of the image and restarting distribution of the image content when the distribution of the advertisement image finishes as claimed in claims 1, 18 and 36. Applicant respectfully requests the Examiner withdraws the rejection to claims 1, 18 and 36 under 35 U.S.C. § 102(b).

Claims 3-9, 32 and 34 recite additional features. Applicant respectfully submits that claims 3-9, 32 and 34 would not have been anticipated by *Bar-el* within the meaning of 35 U.S.C. § 102(b) at least for the reasons as set forth above. Therefore, Applicant respectfully requests the Examiner withdraws the rejection to claims 3-9, 32 and 34 under 35 U.S.C. § 102(b).

Claims 2, 20, 28, 33 and 35 were rejected under 35 U.S.C. § 103 as being unpatentable over *Bar-el* in view of the Official Notice.

As discussed above, nothing in Bar-el shows, teaches or suggests inserting an advertisement image at a position in the image content and restarting distribution of the image content when the distribution of the advertisement image is finished as claimed in claims 20 and

28. Rather, Bar-el teaches away from the claimed invention since the personalized video sequence inserts the ad into a portion of the video sequence itself.

Official Notice merely states that a title list listing available videos for selection is well known in the art. Applicant respectfully requests the Examiner provides a reference for this Official Notice. Furthermore, Applicant respectfully points out that even if a title list is known in the art, a combination of Bar-el and Official Notice would merely have the user select a video sequence which is then personalized. Nothing in the combination of Bar-el and Official Notice shows, teaches or suggests inserting an advertising image at a position in the image content, distribution of the advertisement image and restarting distribution of the image content when the distribution of the advertisement image is finished as claimed in claims 20 and 28. Therefore, Applicant respectfully requests the Examiner withdraws the rejection to claims 20 and 28 under 35 U.S.C. § 103.

Claims 2, 33 and 35 recite additional features. Applicant respectfully submits that claims 2, 33 and 35 would not have been obvious within the meaning of 35 U.S.C. § 103 over *Bar-el* and Official Notice at least for the reasons as set forth above. Therefore, Applicant respectfully requests the Examiner withdraws the rejection to claims 2, 33 and 35 under 35 U.S.C. § 103.

Applicant respectfully traverses the Examiner's finality of the Restriction Requirement. Applicant respectfully submits that the Restriction Requirement is improper since it is made after a Final Rejection. Applicant respectfully points out that all claims in the present application except for claims 36 and 37 were found in the original application and have been examined in five previous Office Actions two of which were final. Therefore, Applicants maintain that the Restriction Requirement is improper and respectfully requests reconsideration of the requirement.

Thus, it now appears that the application is in condition for a reconsideration and allowance. Reconsideration and allowance at an early date are respectfully requested. Should the Examiner find that the application is not now in condition for allowance, Applicant respectfully requests the Examiner enters this Amendment for purposes of appeal.

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CONCLUSION

of this case.

If for any reason the Examiner feels that the application is not now in condition for allowance, the Examiner is requested to contact, by telephone, the Applicant's undersigned attorney at the indicated telephone number to arrange for an interview to expedite the disposition

In the event that this paper is not timely filed within the currently set shortened statutory period, Applicant respectfully petitions for an appropriate extension of time. The fees for such extension of time may be charged to Deposit Account No. 50-0320.

In the event that any additional fees are due with this paper, please charge our Deposit Account No. 50-0320.

Respectfully submitted,

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